

**Washington State Department of Social and Health Services
HIPAA Entity Status Summary**

<u>Aging and Adult Services Administration</u>	Health Plan
<u>Children's Administration</u>	Health Plan
<u>Economic Services Administration</u>	Excepted
Refugee Assistance Program	Health Plan
<u>Finance Division</u>	Health Plan and Provider
<u>Health and Rehabilitative Services Administration</u>	
Division of Alcohol and Substance Abuse	Health Plan
Division of Developmental Disabilities	Health Plan and Provider
Division of Vocational Rehabilitation	Excepted
Infant Toddler Early Intervention Program	Health Plan
Mental Health Division	Health Plan and Provider
Office of Deaf and Hard of Hearing	Excepted
Special Commitment Center	Health Plan
<u>Juvenile Rehabilitation Administration</u>	Health Plan
<u>Medical Assistance Administration</u>	Health Plan
<u>Management Services Administration</u>	Excepted

AGING AND ADULT SERVICES SUMMARY

Issue: Is Aging and Adult Services Administration (AASA) part of the DSHS Health plan, or a health care provider or clearinghouse?

Context: DSHS is a single legal entity, with many components. Some components of DSHS meet the definition of a Health Plan. All components of DSHS that meet the definition of Health Plan are part of one covered entity: the DSHS Health Plan. DSHS may also have components that function as a health care provider or clearinghouse as defined in HIPAA regulations.

Summary: AASA appears to function as a health plan, and does not appear to meet the exception to a health plan. AASA does not appear to function as a covered health care provider or clearinghouse.

Analysis: AASA receives funds from Medicaid, a named health plan under HIPAA. Therefore, those programs are explicitly included by the regulation and comments. AASA also functions as a health plan because it pays for services that are included in the definition of *medical care* (affecting structure or function of body). This activity meets the definition of a health plan. The exception for *government funded programs*, does not apply to health plans, like Medicaid, that are explicitly named in the regulation.

Other Considerations:

AASA, as part of the DSHS health plan, must have the capacity to conduct covered transactions relative to its clients in an electronic, HIPAA compliant way. The DSHS health plan is planning to build HIPAA compliant capacity for all transactions into the MMIS. AASA may choose an additional electronic compliance strategy and may continue to offer non-standard transactions (including paper, fax, and voice response).

Providers who conduct covered transactions with AASA have the right to bill and receive payment and remittance advices in an electronic, HIPAA compliant format. Providers can also continue to conduct non-standard transactions (including paper, fax, and voice response).

CHILDREN'S ADMINISTRATION SUMMARY

Issue: Is Children's Administration (CA) part of the DSHS Health plan, or a health care provider or clearinghouse?

Context: DSHS is a single legal entity, with many components. Some components of DSHS meet the definition of a Health Plan. All components of DSHS that meet the definition of Health Plan are part of one covered entity: the DSHS Health Plan. DSHS may also have components that function as a health care provider or clearinghouse as defined in HIPAA regulations.

Summary: CA appears to function as a health plan, and does not appear to meet the exception to a health plan. CA does not appear to function as a covered health care provider or clearinghouse.

Analysis: CA receives funds from Medicaid, a named health plan under HIPAA. Therefore, those programs are explicitly included by the regulation and comments. CA also functions as a health plan because it pays for services that are included in the definition of *medical care* (affecting structure or function of body). This activity meets the definition of a health plan. The exception for *government funded programs*, does not apply to health plans, like Medicaid, that are explicitly named in the regulation. Moreover, one of CA's principal *purposes* is to provide or pay the cost of medical care to its clients.

Other Considerations:

CA, as part of the DSHS health plan, must have the capacity to conduct covered transactions relative to its clients in an electronic, HIPAA compliant way. The DSHS health plan is planning to build HIPAA compliant capacity for all transactions into the MMIS. CA may choose an additional electronic compliance strategy and may continue to offer non-standard transactions (including paper, fax, and voice response).

Providers who conduct covered transactions with CA have the right to bill and receive payment and remittance advises in an electronic, HIPAA compliant format. Providers can also continue to conduct non-standard transaction (including paper, fax, and voice response).

ECONOMIC SERVICES ADMINISTRATION SUMMARY

Issue: Is the Economic Services Administration (ESA) part of the DSHS Health plan, or a health care provider or clearinghouse?

Context: DSHS is a single legal entity, with many components. Some components of DSHS meet the definition of a Health Plan. All components of DSHS that meet the definition of Health Plan are part of one covered entity: the DSHS Health Plan. DSHS may also have components that function as a health care provider or clearinghouse as defined in HIPAA regulations.

Summary: ESA appears to meet the exception to the health plan definition for all but one program, and does not perform health care provider or clearinghouse functions. Thus ESA would not be part of the DSHS health plan, except for the Refugee Assistance Program. ESA may also have indirect impacts.

Analysis: ESA pays for services that are included in the definition of *medical care* (affecting structure or function of body). This activity meets the definition of a health plan. However, ESA is not part of nor receives funds from Medicaid, Medicare or other *named Health Plans* under HIPAA. Therefore, ESA is not explicitly included or excluded by the regulation and comments. ESA is a *government funded program*, and its principal *purpose* is providing clients with temporary assistance through community, employment, food subsidy, and financial services. These programs in ESA appear to meet the Health Plan exception and are not mandated under HIPAA to be a part of the DSHS Health Plan.

ESA also collects client enrollment information for Medicaid and forwards it to Medicaid. This is a health plan function, but a specific exception in the official comments states that agencies who are not otherwise covered, do not become a covered entity nor do they need a business associate contract to forward this information to Medicaid. Therefore, performing this function does not make ESA a health plan. However, ESA will have to send enrollment data to MMIS in a HIPAA compliant way.

However, the Refugee Assistance Program pays for medical care, and one of its principal purposes is to provide medical care. It is a federally funded program to promote economic self-sufficiency of refugee families through coordination of financial, medical, and social services. This program appears to meet the definition of a health plan.

Other Considerations:

The Refugee Assistance Program, as part of the DSHS health plan, must have the capacity to conduct covered transactions with health care providers in an electronic, HIPAA compliant way. The DSHS health plan is planning to build HIPAA compliant capacity for all transactions into the MMIS. Refugee

Assistance may choose an additional electronic compliance strategy and may continue to offer non-standard transactions (including paper, fax, and voice response).

The other parts of ESA may have indirect impacts or business needs that may require ESA to change business operations or functions. For example, health care providers may no longer offer to treat/assess ESA clients if ESA cannot accept HIPAA standard billing and other transactions. Also, if ESA sends information to or receives information from other parts of DSHS or other health plans, the content and/or format of that information may be changed and inconsistent with ESA needs or historical data. Finally the enrollment information collected by ESA needs to contain HIPAA compliant data.

FINANCE DIVISION SUMMARY

Issue: Is the Finance Division part of the DSHS Health plan, or a health care provider or clearinghouse?

Context: DSHS is a single legal entity, with many components. Some components of DSHS meet the definition of a Health Plan. All components of DSHS that meet the definition of Health Plan are part of one covered entity: the DSHS Health Plan. DSHS may also have components that function as a health care provider or clearinghouse as defined in HIPAA regulations.

Summary: Finance performs financial services for many programs in DSHS, including some health plan programs and some health care provider programs. Performing services for both the plan and provider appears to meet the definition of a clearinghouse, but also appears to meet the definition of plan or provider functions. Finance will need to make a policy decision about which definition more closely fits their business.

Analysis:

Definition: The definition of a clearinghouse is a public or private entity, including a billing service...that does either of the following functions: (1) processes or facilitates the processing of health information received from another entity in a nonstandard format or containing nonstandard data content into standard data elements or a standard transaction (2) receives a standard transaction from another entity and processes or facilitates the processing of health information into nonstandard format or nonstandard data content for the receiving entity. §160.103

Application: Finance processes information on behalf of multiple DSHS programs and will be required to convert the information it receives into standard data content and transactions when sending the information out. The legal question that remains ambiguous is whether the text and comments are referring to another "legal" entity or another covered entity.

If the regulation is interpreted as another "covered entity" (ie. Health care plans and health care providers), then Finance does meet the definition of a clearinghouse because it performs services for both the DSHS health plan and DSHS providers.

If the regulation is interpreted as another legal entity (ie. some entity outside of DSHS), then Finance does not meet the definition of a clearinghouse because it performs services only for different parts of DSHS.

Regulatory Comments: There are several regulatory comments that support the interpretation that the regulation means another legal entity:

CFR 82477 states, In order to fall within this definition of clearinghouse, the covered entity must perform the clearinghouse function on health information received from some other entity. A *department* or component of a health plan or

a health care provider that transforms nonstandard information into standard data elements or standard transactions (or vice versa) is not a clearinghouse for purposes of this rule, unless it also performs these functions for another entity. CFR 82488 notes that Clearinghouses rarely have direct contact with individuals, and usually will not be in a position to create protected health information or to receive it directly from them. Unlike plans and providers, clearinghouses usually convey and repackage information and do not add materially to the substance of protected health information of an individual. CFR p. 50319 states in part: If an entity does not perform the functions of format translation and data conversion, it is not considered a health care clearinghouse under our definition.

Other Considerations:

Either as a clearinghouse or as part of the health plan and provider programs, Finance is impacted by HIPAA transaction standards as well as other rules. Finance will have to conduct covered transactions that are electronic in a HIPAA compliant way. Finance may continue to offer alternative non-standard transactions (including paper, fax, and voice response).

HRSA
DIVISION OF ALCOHOL AND SUBSTANCE ABUSE SUMMARY

Issue: Is the Division of Alcohol and Substance Abuse (DASA) part of the DSHS Health plan, or a health care provider or clearinghouse?

Context: DSHS is a single legal entity, with many components. Some components of DSHS meet the definition of a Health Plan. All components of DSHS that meet the definition of Health Plan are part of one covered entity: the DSHS Health Plan. DSHS may also have components that function as a health care provider or clearinghouse as defined in HIPAA regulations.

Summary: DASA appears to function as a health plan, and does not appear to meet the exception to a health plan. DASA does not appear to function as a covered health care provider or clearinghouse.

Analysis: DASA receives funds from Medicaid, a named health plan under HIPAA. Therefore, those programs are explicitly included by the regulation and comments. DASA also functions as a health plan because it pays for services that are included in the definition of *medical care* (affecting structure or function of body). This activity meets the definition of a health plan. The exceptions for *government funded programs*, do not apply to health plans, like Medicaid, that are explicitly named in the regulation. For non-Medicaid funded parts of the program, it does not appear that DASA meets the exception. One of DASA's principal *purposes* is to provide or pay the cost of *medical care* to its clients, so the first exception does not apply. DASA does make grants to counties and tribes, but it does not appear to be for the direct provision of care to clients, counties and tribes provide some care, and subcontract some care. Additionally, another part of the DSHS health plan pays many of the subcontractors.

Other Considerations:

DASA, as part of the DSHS health plan, must have the capacity to conduct covered transactions with health care providers in an electronic, HIPAA compliant way. The DSHS health plan is planning to build HIPAA compliant capacity for all transactions into the MMIS. DASA may choose an additional electronic compliance strategy and may continue to offer non-standard transactions (including paper, fax, and voice response). Providers who conduct covered transactions with DASA have the right to bill and receive payment and remittance advices in an electronic, HIPAA compliant format. Providers can also continue to conduct non-standard transactions (including paper, fax, and voice response).

HRSA DEVELOPMENTAL DISABILITIES DIVISION SUMMARY

Issue: Is the Developmental Disabilities Division (DDD) part of the DSHS Health plan, or a health care provider or clearinghouse?

Context: DSHS is a single legal entity, with many components. Some components of DSHS meet the definition of a Health Plan. All components of DSHS that meet the definition of Health Plan are part of one covered entity: the DSHS Health Plan. DSHS may also have components that function as a health care provider or clearinghouse as defined in HIPAA regulations.

Summary: DDD appears to function as a health plan, and does not appear to meet the exception to a health plan. DDD also appears to function as a covered health care provider. DDD does not appear to function as a clearinghouse.

Analysis: DDD receives funds from Medicaid, a named health plan under HIPAA. Therefore, those programs are explicitly included by the regulation and comments. DDD also functions as a health plan because it pays for services that are included in the definition of *medical care* (affecting structure or function of body). This activity meets the definition of a health plan.

The exception for *government funded programs*, does not apply to health plans, like Medicaid, that are explicitly named in the regulation. Moreover, one of DDD's principal *purposes* is to provide or pay the cost of *medical care* to its clients.

DDD also provides health care services directly to some of its clients through residential group homes and electronically bills for these services. Programs that provide health care services to individuals and conduct electronic transactions are covered health care providers under the regulation.

Other Considerations:

DDD, as part of the DSHS health plan, must have the capacity to conduct covered transactions with health care providers in an electronic, HIPAA compliant way. The DSHS health plan is planning to build HIPAA compliant capacity for all transactions into the MMIS. DDD may choose an additional electronic compliance strategy and may continue to offer non-standard transactions (including paper, fax, and voice response).

Providers who conduct covered transactions with DDD have the right to bill and receive payment and remittance advices in an electronic, HIPAA compliant format. Providers can also continue to conduct non-standard transactions (including paper, fax, and voice response).

DDD, when acting as a health care provider and utilizing electronic transactions will have to conduct those transactions as standard transactions. DDD can continue to conduct non-standard transactions with willing payers.

HRSA
DIVISION OF VOCATIONAL REHABILITATION SUMMARY

Issue: Is the division of vocational rehabilitation (DVR) part of the DSHS Health plan, or a health care provider or clearinghouse?

Context: DSHS is a single legal entity, with many components. Some components of DSHS meet the definition of a Health Plan. All components of DSHS that meet the definition of Health Plan are part of one covered entity: the DSHS Health Plan. DSHS may also have components that function as a health care provider or clearinghouse as defined in HIPAA regulations.

Summary: DVR appears to meet the exception to the health plan definition, and does not perform health care provider or clearinghouse functions. Thus DVR would not be part of the DSHS health plan, but may have indirect impacts.

Analysis: DVR pays for services that are included in the definition of *medical care* (affecting structure or function of body). This activity meets the definition of a health plan. However, DVR is not part of nor receives funds from Medicaid, Medicare or other *named Health Plans* under HIPAA. Therefore, DVR is not explicitly included or excluded by the regulation and comments. DVR is a *government funded program*, and its principal *purpose* is defined as assisting disabled persons with preparing and engaging in gainful employment.

Thus, DVR appears to meet the Health Plan exception and is not mandated under HIPAA to be a part of the DSHS Health Plan.

Other Considerations: DVR may have indirect impacts or business needs that may require DVR to change business operations or functions. For example, health care providers may no longer offer to treat/assess DVR clients if DVR cannot accept HIPAA standard billing and other transactions. Also, if DVR sends information to or receives information from other parts of DSHS or other health plans, the content and/or format of that information may be changed and inconsistent with DVR needs or historical data.

HRSA
INFANT TODDLER EARLY INTERVENTION PROGRAM SUMMARY

Issue: Is the Infant Toddler Early Intervention Program (ITEIP) part of the DSHS Health plan, or a health care provider or clearinghouse?

Context: DSHS is a single legal entity, with many components. Some components of DSHS meet the definition of a Health Plan. All components of DSHS that meet the definition of Health Plan are part of one covered entity: the DSHS Health Plan. DSHS may also have components that function as a health care provider or clearinghouse as defined in HIPAA regulations.

Summary: ITEIP appears to function as a health plan, and does not appear to meet the exception to a health plan. ITEIP does not function as a covered health care provider or clearinghouse.

Analysis: ITEIP does not receive funds from Medicaid, Medicare or other *named Health Plans* under HIPAA. Therefore, ITEIP is not explicitly included or excluded by the regulation and comments. However, ITEIP functions as a health plan because it pays for services that are included in the definition of *medical care* (affecting structure or function of body). This activity meets the definition of a health plan.

ITEIP does not appear to meet the exception for *government funded programs*, whose principal *purpose* is other than providing or paying the cost of medical care. ITEIP provides early intervention services to families with children under age three with developmental disabilities. ITEIP is a payer of last resort, medical, social, and educational services supported by other funding sources are paid first. Services may include family training, counseling, home visits, Health services, Medical services for diagnostic or evaluation purposes, Occupational therapy, Physical therapy, psychological services, Service Coordination, and Social work services, among others.

Other Considerations:

ITEIP, as a health plan, must have the capacity to conduct covered transactions in an electronic, HIPAA compliant way. ITEIP may continue to offer non-standard transactions (including paper, fax, and voice response). Providers who conduct covered transactions with ITEIP have the right to bill and receive payment and remittance advises in an electronic, HIPAA compliant format. Providers can also continue to conduct non-standard transaction (including paper, fax, and voice response).

HRSA
MENTAL HEALTH DIVISION SUMMARY

Issue: Is Mental Health Division (MHD) part of the DSHS Health plan, or a health care provider or clearinghouse?

Context: DSHS is a single legal entity, with many components. Some components of DSHS meet the definition of a Health Plan. All components of DSHS that meet the definition of Health Plan are part of one covered entity: the DSHS Health Plan. DSHS may also have components that function as a health care provider or clearinghouse as defined in HIPAA regulations.

Summary: MHD appears to function as a health plan, and does not appear to meet the exception to a health plan. MHD also appears to function as a covered health care provider. MHD does not appear to function as a clearinghouse.

Analysis: MHD receives funds from Medicaid, a named health plan under HIPAA. Therefore, those programs are explicitly included by the regulation and comments. MHD also functions as a health plan because it pays for services that are included in the definition of *medical care* (affecting structure or function of body). This activity meets the definition of a health plan.

The exception for *government funded programs*, does not apply to health plans, like Medicaid, that are explicitly named in the regulation. Moreover, one of MHD's principal *purposes* is to provide or pay the cost of *medical care* to its clients.

MHD also provides health care services directly to some of its clients through the state hospitals and electronically bills for these services. Programs that provide health care services to individuals and conduct electronic transactions are covered health care providers under the regulation.

Other Considerations:

MHD, as part of the DSHS health plan, must have the capacity to conduct covered transactions with health care providers in an electronic, HIPAA compliant way. The DSHS health plan is planning to build HIPAA compliant capacity for all transactions into the MMIS. MHD may choose an additional electronic compliance strategy and may continue to offer non-standard transactions (including paper, fax, and voice response).

Providers who conduct covered transactions with MHD have the right to bill and receive payment and remittance advices in an electronic, HIPAA compliant format. Providers can also continue to conduct non-standard transactions (including paper, fax, and voice response).

MHD, when acting as a health care provider and utilizing electronic transactions will have to conduct those transactions as standard transactions. MHD can continue to conduct non-standard transactions with willing payers.

HRSA
OFFICE OF DEAF AND HARD OF HEARING SUMMARY

Issue: Is the Office of Deaf and Hard of Hearing (ODHH) part of the DSHS Health plan, or a health care provider or clearinghouse?

Context: DSHS is a single legal entity, with many components. Some components of DSHS meet the definition of a Health Plan. All components of DSHS that meet the definition of Health Plan are part of one covered entity: the DSHS Health Plan. DSHS may also have components that function as a health care provider or clearinghouse as defined in HIPAA regulations.

Summary: ODHH appears to meet the exception to the health plan definition, and does not perform health care provider or clearinghouse functions. Thus ODHH would not be part of the DSHS health plan, but may have indirect impacts.

Analysis: ODHH is funded by a telephone surcharge to assist deaf and hard of hearing clients. ODHH does not receive any Medicaid or other funds from a named health plan. ODHH does not pay for services that are included in the definition of *medical care or medical equipment* (affecting structure or function of body). ODHH pays for communications devices which are not reimbursable under health insurance and are not considered to be medical equipment within the industry. Clients must have a medical evaluation, but the evaluation is paid for by the client, not ODHH. Thus, is not mandated under HIPAA to be a part of the DSHS Health Plan.

Other Considerations: ODHH does not appear to have any indirect impacts or business needs that may require it to change business operations or functions since it does not directly transact with any medical or health care professionals or receive information from systems that will be changing under HIPAA.

HRSA
SPECIAL COMMITMENT CENTER SUMMARY

Issue: Is the Special Commitment Center (SCC) part of the DSHS Health plan, or a health care provider or clearinghouse?

Context: DSHS is a single legal entity, with many components. Some components of DSHS meet the definition of a Health Plan. All components of DSHS that meet the definition of Health Plan are part of one covered entity: the DSHS Health Plan. DSHS may also have components that function as a health care provider or clearinghouse as defined in HIPAA regulations.

Summary: SCC appears to function as a health plan, and does not appear to meet the exception to a health plan.
SCC does not function as a covered health care provider or clearinghouse.

Analysis: SCC center does not receive funds from Medicaid, Medicare or other *named Health Plans* under HIPAA. Therefore, SCC is not explicitly included or excluded by the regulation and comments. However, SCC functions as a health plan because it pays for services that are included in the definition of *medical care* (affecting structure or function of body). This activity meets the definition of a health plan.

SCC does not appear to meet the exception for *government funded programs*, whose principal *purpose* is other than providing or paying the cost of medical care. SCC was created and is charged with paying for all costs related to the evaluation and treatment of sexually violent predators who have completed their corrections sentence but are committed to the department. A person committed to the program must have an individual treatment plan developed to determine appropriate care.

SCC employs a psychiatrist who provides health care to clients. However, the psychiatrist does not bill electronically (or otherwise), and SCC does not bill a health plan electronically (or otherwise) for his/her services. Thus, the program is not functioning as a covered health care provider.

Other Considerations:

SCC, as a health plan, must have the capacity to conduct covered transaction in an electronic, HIPAA compliant way. SCC may continue to offer non-standard transactions (including paper, fax, and voice response).

Providers who conduct covered transactions with SCC have the right to bill and receive payment and remittance advises in an electronic, HIPAA compliant format. Providers can also continue to conduct non-standard transaction (including paper, fax, and voice response).

JUVENILE REHABILITATION SUMMARY

Issue: Is Juvenile Rehabilitation Administration (JRA) part of the DSHS Health plan, or a health care provider or clearinghouse?

Context: DSHS is a single legal entity, with many components. Some components of DSHS meet the definition of a Health Plan. All components of DSHS that meet the definition of Health Plan are part of one covered entity: the DSHS Health Plan. DSHS may also have components that function as a health care provider or clearinghouse as defined in HIPAA regulations.

Summary: JRA appears to function as a health plan, and does not appear to meet the exception to a health plan. JRA does not appear to function as a covered health care provider or clearinghouse.

Analysis: JRA receives funds from Medicaid, a named health plan under HIPAA. Therefore, those programs are explicitly included by the regulation and comments. JRA also functions as a health plan because it pays for services that are included in the definition of *medical care* (affecting structure or function of body). This activity meets the definition of a health plan. The exception for *government funded programs*, does not apply to health plans, like Medicaid, that are explicitly named in the regulation. Moreover, one of JRA's principal *purposes* is to provide or pay the cost of *medical care* to its clients. JRA also provides health care services directly to some of its clients. However, JRA does not electronically bill for the services its staff provides, so JRA is not a covered health care provider under HIPAA.

Other Considerations:

JRA, as part of the DSHS health plan, must have the capacity to conduct covered transactions with health care providers in an electronic, HIPAA compliant way. The DSHS health plan is planning to build HIPAA compliant capacity for all transactions into the MMIS. JRA may choose an additional electronic compliance strategy and may continue to offer non-standard transactions (including paper, fax, and voice response).

Providers who conduct covered transactions with JRA have the right to bill and receive payment and remittance advices in an electronic, HIPAA compliant format. Providers can also continue to conduct non-standard transactions (including paper, fax, and voice response).

MEDICAL ASSISTANCE ADMINISTRATION SUMMARY

Issue: Is Medical Assistance Administration (MAA) part of the DSHS Health plan, or a health care provider or clearinghouse?

Context: DSHS is a single legal entity, with many components. Some components of DSHS meet the definition of a Health Plan. All components of DSHS that meet the definition of Health Plan are part of one covered entity: the DSHS Health Plan. DSHS may also have components that function as a health care provider or clearinghouse as defined in HIPAA regulations.

Summary: MAA appears to function as a health plan, and does not appear to meet the exception to a health plan. MAA does not appear to function as a covered health care provider or clearinghouse.

Analysis: MAA receives funds from Medicaid, a named health plan under HIPAA. Therefore, those programs are explicitly included by the regulation and comments. MAA also functions as a health plan because it pays for services that are included in the definition of *medical care* (affecting structure or function of body). This activity meets the definition of a health plan. The exception for *government funded programs*, does not apply to health plans, like Medicaid, that are explicitly named in the regulation.

Other Considerations:

MAA, as part of the DSHS health plan, must have the capacity to conduct covered transactions relative to its clients in an electronic, HIPAA compliant way. The DSHS health plan is planning to build HIPAA compliant capacity for all transactions into the MMIS. MAA may choose an additional electronic compliance strategy and may continue to offer non-standard transactions (including paper, fax, and voice response).

Providers who conduct covered transactions with MAA have the right to bill and receive payment and remittance advices in an electronic, HIPAA compliant format. Providers can also continue to conduct non-standard transactions (including paper, fax, and voice response).

MANAGEMENT SERVICES ADMINISTRATION SUMMARY

Issue: Is the Management Services Administration (MSA) part of the DSHS Health plan, or a health care provider or clearinghouse?

Context: DSHS is a single legal entity, with many components. Some components of DSHS meet the definition of a Health Plan. All components of DSHS that meet the definition of Health Plan are part of one covered entity: the DSHS Health Plan. DSHS may also have components that function as a health care provider or clearinghouse as defined in HIPAA regulations.

Summary: MSA performs administrative and other services for DSHS programs. MSA (SSPS) performs non-electronic payment services on behalf of DSHS health plan programs and MSA (ESD) performs enrollment and premium payment and payroll deductions for DSHS employees. These services are excepted from HIPAA regulation.

Analysis: The services that MSA performs on behalf of DSHS programs are not health plan or health care provider functions that are regulated by HIPAA.

Other Considerations:

MSA, through SSPS, provides payment services for health plan programs. Even though this payment method is exempted, the DSHS health plan must have the capacity to conduct covered transactions in an electronic, HIPAA compliant way. Thus, SSPS may have indirect impacts or business needs generated by HIPAA due to the requirements placed on the health plan and provider programs. The DSHS health plan is planning to build HIPAA compliant capacity for all transactions into the MMIS. Programs may choose an additional electronic compliance strategy and may continue to offer non-standard transactions (including paper, fax, and voice response).

Providers who conduct covered transactions with DSHS have the right to bill and receive payment and remittance advices in an electronic, HIPAA compliant format. Providers can also continue to conduct non-standard transactions (including paper, fax, and voice response).

MSA performs functions that are not regulated by HIPAA (like non-standard payment transactions, and employee health benefits administration), but may be indirectly but MSA may be indirectly affected due to changes mandated by partners when we exchange electronic information.